

Rating Rationale

Brickwork Ratings assigns “Solar Power (SP) Rating# for Solar Power Sale and RESCO Activity” -System Integrator- of “SP 3E” to Anant Energy (AE or “the firm”). The Rating indicates ‘Moderate Technical Capability’ and ‘ Poor Financial Strength’.

System Integrator

SP 3E

BWR has principally relied upon the provisional financials of the firm upto June FY18 and information/clarifications provided by the management.

The rating has positively factored proprietor's technical qualification as well as experience in the field of renewable energy and growth in revenue of the operations. The rating is, however, constrained by the limited network of customers, low tangible networth and weak profitability margins.

Background

Anant Energy is a proprietorship firm established on 21st March 2017 in Bhopal, Madhya Pradesh offering the service of installing high product range including Solar Power Plants, Solar PV Modules, LED based Solar Street Lights, Solar Home Lighting Systems, Solar Water Heating Systems and Solar Water Pumping Systems. Moreover, the concern accommodates various kinds of customer requirements like residential, small business and farming sector. The firm customizes the system according to the customer's specific need and power requirement.

Technical Capability

Proprietor's Track Record

Anant Mishra, graduated in New Zealand and has more than three years of experience in Renewable Energy at Meridian Energy, New Zealand. He worked as a Team Leader where he ran campaigns to promote Green Energy and has encouraged consumers to switch to green energy.

Technical Expertise and Adequacy of Manpower

All the technical issues related to solar projects and services are solely handled by Kabil Dubey. He has an experience of over 5 years as an electrical contractor. Also, proprietor Anant Mishra has achieved a certificate in solar power installation from New Zealand.

Quality of Suppliers and Tie-ups

The firm procures materials like Solar Panels, Solar Water Heaters, etc. from AP Solar Works, Supreme Solar and Zytech Energy from Indore, Bangalore and Hyderabad respectively and maintains professional relationships with them.

Customers and O&M Network

The firm has a very limited network of customers restricted to RD Public School and Adhish Industries

The overall Technical Capability of the Concern is considered **Moderate**.

SP Rating is not a Credit Rating of the entity.

Financial Strength

Sales: The firm has seen an increase in sales from Rs 0.03 Cr to Rs 0.22 Cr in a span of 3 months from FY17 to June 2017. The scale of operations remains low.

Total Outside Liabilities/Tangible Net Worth: Anant Energy has registered a decrease in TOL/TNW from 2.27 times in FY17 to 0.65 times in June 2017.

Moreover, the firm has not taken any form of debt yet.

Net Worth: AS has a low tangible net worth of Rs. 0.02 Cr as on 30th June 2017.

Conduct of Bank Account: The firm operates a current account with IDFC Bank. The banker has confirmed that the conduct of account is satisfactory.

Current Ratio: Liquidity position was adequate reflected by Current Ratio of 2.53 times as on 30-June-2017.

The Financial Strength of the Concern is assessed as **Poor**.

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